

KEPPEL OPP'N EXH. 126

From: Niranjan Ravindran <Niranjan.Ravindran@eigpartners.com>
To: Kevin Corrigan
Sent: 12/6/2013 12:47:36 PM
Subject: Re: Sete Brasil
Attachments: image001.jpg; image002.jpg

For what's its worth I am with Aldo. Bad idea. Let's see what número uno has to say.

Please don't forget that IT stuff.

N.

On Dec 6, 2013, at 9:43 AM, "Kevin Corrigan" <Kevin.Corrigan@eigpartners.com> wrote:

But are you o.k. with the company taking on a \$500 MM 10.2% subordinated loan for 7 years? Aldo is quite aghast at that.

Thanks, Kevin

<image001.jpg>

EIG Global Energy (Brasil) Representações Ltda.

Kevin Corrigan › Senior Vice President › kevin.corrigan@eigpartners.com

Av. Ataulfo de Paiva, 1351 - 1 andar - Leblon › Rio de Janeiro, RJ › Brasil CEP: 22440-034 › (o) +55 21 3550 7462 › (m) +55 21 8205 3221

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From: Blair Thomas
Sent: Friday, December 06, 2013 3:01 PM
To: Kevin Corrigan
Cc: Simon Hayden; Hoshnav Patel; Niranjan Ravindran
Subject: RE: Sete Brasil

I support buying at R\$1.02 but not R\$1.76.

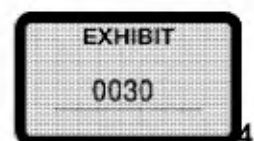
<image002.jpg>

R. Blair Thomas › Chief Executive Officer › blair.thomas@eigpartners.com

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From: Kevin Corrigan
Sent: Thursday, December 05, 2013 9:04 AM



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Confidential

Confidential

To: Blair Thomas
Cc: Simon Hayden; Hoshnav Patel; Niranjan Ravindran
Subject: Sete Brasil

Blair,

One issue that's festering is what to do about the need for additional capital: the existing shareholders are by and large unwilling to put in more, but don't want us or Aldo to do more without paying a "market" premium, which probably means the valuation that was just done on behalf of the pension funds, and came up with a number of R\$ 1.76/share (our subscription price is R\$ 1.02/sh). One alternative being pursued is a subordinated loan, which Credit Suisse is prepared to provide, for up to US\$ 500 MM, which would satisfy BNDES and the ECA's (the exact number is still a moving target). Conditions would be 7 years, five years' grace, at an all-in of 10.2%. I find this high, but wonder if you think we should take a strong view on this, or just let it slide and forget about putting in more equity.

Many thanks, Kevin

<image001.jpg>

EIG Global Energy (Brasil) Representações Ltda.

Kevin Corrigan › Senior Vice President › kevin.corrigan@eigpartners.com

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